

**CONSUMER ATTITUDE AND BEHAVIOR TOWARDS THE
BAGASSE CONTAINERS**



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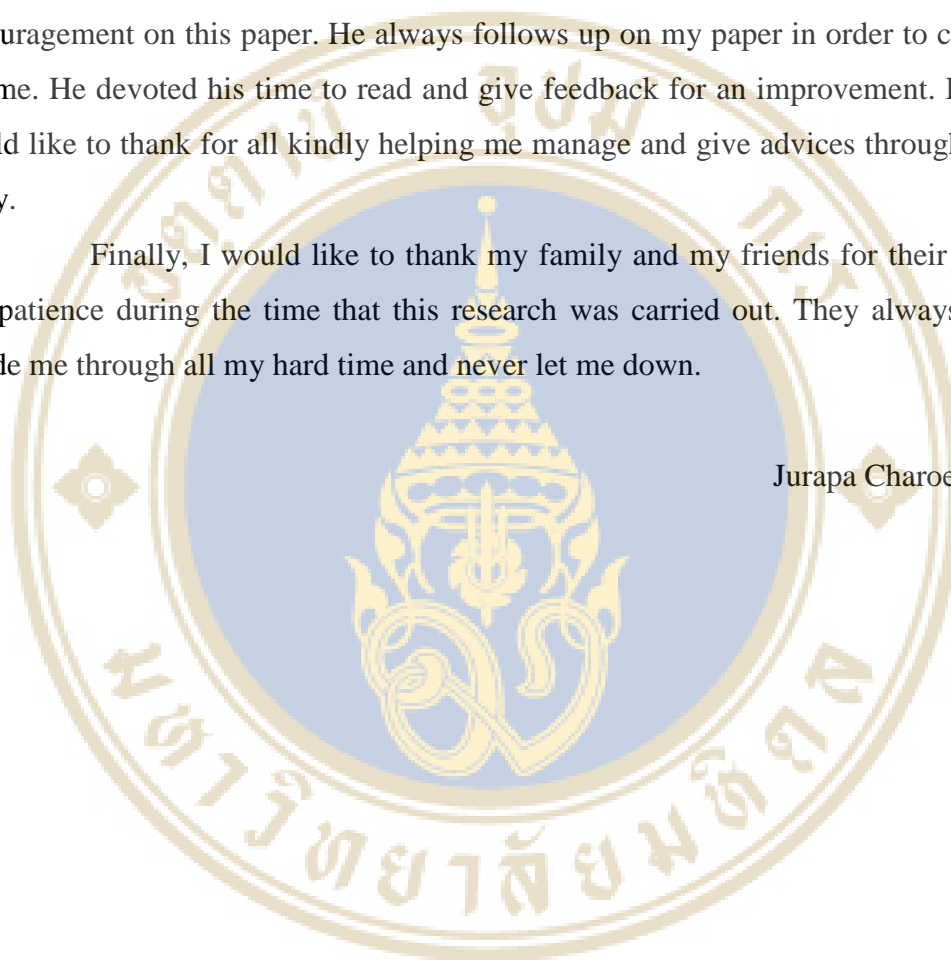
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CONSUMER ATTITUDE AND BEHAVIOR TOWARD THE BAGASSE CONTAINERS

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ABSTRACT

As our company is one of the major players in the Thai packaging industry, we always introduce new packaging products to the market. However, our products are mostly non-recyclable and non-renewable products, where plastic and aluminium foil are used to be raw materials. Since the environmental friendly trend is concerned by many people around the world, so it makes our company needs to develop our products to meet the recent trend as much as possible. As a result, we come up with the new product, bagasse packaging, which is 100% natural based material and it is also related with health-conscious trend. Our new product launching decision, we will base on how the market responses to our products by using the in-depth interview to receive the feedback from two main focus groups, which are the packaging distributors and the end-users.

KEY WORDS: Environmental friendly/ Health conscious/ Non-recyclable/ Non-renewable

28 pages

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CHAPTER I

INTRODUCTION

1.1 Problem Statements and Its Importance

Nowadays a bad environment negatively affects many people in the world. Pollution is the number one problem, which directly affects to natural environment that cause adverse change. It can be in the form of chemical substances or energy such as noise, heat or light. Non-recyclable product is one of the main reasons that can cause the waste of pollution to the society. According to our company, we are the manufacturing of aluminium foil and plastic packaging for food and bakery segments. Our company has been in the market for over 20 years. Unfortunately, many places start to have a campaign against the products with non-recyclable and non-renewable for the past few years. Due to our raw materials, aluminium foil and plastic, both of them are difficult to be recycled. As a result, we plan to launch new environmental friendly product to the market in order to help reducing the use of wasted items. Moreover, the health concern is one of the things we have to be considered. Along with the bad effect to the environment, consume food from the plastic container has a high possibility to cause the cancer.

For the first rationale, why is it difficult to recycle plastic? Actually, most plastics can be recycled, but it may not be easily recycled around the area where most people live and there are many processes to be done. First of all, plastics have to be separated into different kinds, which take time consuming, and labor intensive. Up until now, this has to be done by hand. If a mixture of plastics is recycled together, they either contaminate the melt or you get a lower grade of plastic than the originals, which is called “downcycling.” Plastics need much more energy to recycle than other materials such as paper, glass or metals. Some plastics can be recycled into higher quality plastics, but this will need an extra energy, which is called “upcycling.” However, there are only some types of plastic, which can be recycled such as PET, HDPE, Vinyl, LDPE, PP Polypropylene, etc (Luke, 2011).

For the second rationale, there are many claims warning about the dangers of using plastic bottles, containers and films. Most of the claims are about the danger of freezing water in plastic bottles, reusing plastic water bottles, leaving plastic bottles in cars, and microwaving food in plastic containers or covered with plastic films. The research has found that the chemical called DEHA, which is contained in plastics, could potentially cause cancer (Cancer research UK, 2010). The reason is whenever you heat something, including plastics; it will pull the chemical especially the Dioxins out from plastic into foods. The dioxins are a group of chemicals that are formed unintentionally by industrial processes such as burning fuels and incinerating waste. However, there is one dioxin, known as TCDD, has been shown to cause cancer in people. Moreover burning some types of plastic, especially the PVC, at very high temperatures can release dioxins into the atmosphere (Cancer research UK, 2010).

1.2 Research Objectives

Due to these two rationales, our company is planning to launch a new product to the market, which related to environmental friendly and reduce risk to human. However, there is not enough evidence to support the idea that the chemical contained in plastic can really cause cancer to human while being heated in a microwave or oven. Therefore, our company conducts this research to focus more on the products, which help reducing global warming. The number three of all Thailand domestic waste is a packaging; most of them are food packaging. Packets or any food packaging often made from several different layers laminated together, which is almost impossible to recycle. Although most packaging companies have made efforts to produce packaging much lighter and thinner, but the use of these products are increasing all the time. To resolve this problem, our company plans to introduce a new imported product to the Thai market. This product is made from sugarcane bagasse. Bagasse is a pulp derived from sugarcane stalk after juice extraction. For each 10 tons of sugarcane crushed, a sugar factory produces nearly 3 tons of wet bagasse, the waste agricultural fiber left after extraction of the juice. It will be sterilized, sanitized and molded into the containers or packaging after applying higher pressure heating to the

pulp. Actually the bagasse is not seen as a usable product until the increasing of pollution effects to many people so more researches have been conducted to find out the method to produce packaging from natural raw material. Nowadays the bagasse is a valuable byproduct of sugarcane and is used for many applications, the most popular one is disposable biodegradable tableware. Since this product is quite popular in many countries especially in Australia, Europe, and America, so our company can foresee the growth of this product in Thailand as well. For our plan, we will look for importing product from China to see the response of the market. If we can get the good response, our next plan is to start our own production based in Thailand. However, the market nowadays is full of using plastic and styrofoam containers, it would be difficult if we want to change customers' daily routine of switching to use bagasse container. Although it is long known that styrofoam has negative impact on the environment, as the material is difficult to recycle and break down in landfills, and also causes the negative health effect, but it is still widely used in everywhere of the country (Karen Frazier). The reason why people still using, is the convenience to purchase and the product itself is very cheap compared to others. Nonetheless, it is necessary to introduce the bagasse products directly to the consumers in order to have a clear communication of the benefits using the natural products.

1.3 Research Question

Based on our company's objective to launch a new product, we can develop our research question as "What are the major factors that affect customers' decision to adopt bagasse container?"

1.4 Research Scope

This study focuses on both new and existing customers to see the possibility of switching from plastic and styrofoam to use the bagasse product. Our scope for potential customers can be divided to two main groups, which are packaging retail stores and end-users.

1.5 Expected Benefit

The expected benefit of doing this research is to examine the critical factors that drive the likelihood of customer to purchase bagasse container, resulting in an increase in sales of the company. Therefore, research study may shed some lights for the company to become a market leader of selling green products. Secondly, by discovering the critical factors, this research aims totalize the research results to motivate consumers by encouraging them to use natural based raw material to help reducing global warming.



CHAPTER II

LITERATURE REVIEW & PROPOSED FRAMEWORKS

As the bagasse products are quite new in Thailand, most people have seen it, but it is not widely known to the Thai market. To purchase any products, Thai people most concern is the price, maybe health concerned is the least. It is quite difficult to change consumers' opinions. The only way is to let them have a deeply understand on how important of switching to use bagasse products rather than using plastics or styrofoams. According to the study by Palaskas & Harriss-white (2007) , it uses the market testing techniques as a new methodology to provide a sequence of tests, using weekly spot prices, to examine the dynamic relationship of market commodity prices in three locations in West Bengal. Therefore, introducing a new product, first testing the market will help to analyze on how the market is likely to be. In this research, the market testing will be applied as a theoretical that helps to solve company problems and guide us to go into the right direction.

2.1 Theoretical Background

New Product Development

According to Margaret Rouse (2005), product development is a broad field of endeavor dealing with the design, creation, and marketing of new products. Sometimes referred to as *new product development* (NPD), the discipline is focused on developing systematic methods for guiding all the processes involved in getting a new product to market. Therefore, the productivity is one of the key ingredients for successful product development. Based on the Robert's rules of innovation (2013), one of the two key processes is the *new product development process*, which contains eight steps:

Step 1: *Generating* – list out the basic internal and external SWOT analyses, along with the current market trends.

Step 2: *Screening the idea* – analyze the SWOT and see the potential whether the products are able to sell in the market or not.

Step 3: *Testing the concept* – concept testing is totally different from market testing. This step is to see whether our concept is understandable by consumers and meet their needs or not.

Step 4: *Business analytics* – this step is used for measuring time on each progress, such as average time in each stage, percentage of new product sales, etc.

Step 5: *Beta/ Marketability tests* – start to launch a beta version to introduce to customers and let them providing valuable information to get improvement for future products.

Step 6: *Technicalities and Product development* – this step is for turning the beta products to post-beta products by using the information from customers to redesign or reproduce.

Step 7: *Commercialize* – to promote the benefit of product itself along with increasing company reputation.

Step 8: *Post Launch review and Perfect pricing* – to launch the latest version of the products, also introducing the price to customers. The price might be based on product itself and competitors' products.

Market Testing

Market Testing is used to test multiple marketing scenarios to select the most promising for expansion later in the future. This test is used in the real-world setting to simulate the broader market. However, this process is the final step before doing the commercialization with all the elements of marketing plan is tested. The key point of this process is to provide consumers with the test product, and persuade them an incentive to participate. All the variables in the process, including the selection and number of test cities, also the ideal sample size to use, need to be prepared. Along with the process, there are risks such as high initial marketing costs, the potential to lose customer goodwill before the official launch, and giving competitors the opportunity to move faster by copying the product (Tara Hornor, 2012). During the process, there are three questions need to be answered:

- Is the overall workability of the marketing plan realized as planned?

- Do alternative allocations of the budget need to be evaluated?
- Can we determine whether users are being inspired to switch from their previous brands to the new one, and whether repeat purchases are taking place?

In depth for the market testing, it first we will see how big of the market. Second, we will receive the feedback and attitude of consumers directly to our products. Even though the feedback comes out negatively, but it is good to bring it back for improving. Third, it will involve with the way consumers prefer to purchase. Lastly, it will be the way consumers prefer to receive the products. There are four methods to use:

1. Sale-wave research – this method is used in consumer goods market testing. In this type of research, consumers will actually try the product at no cost or product with slightly reduced prices. They may be re-offered the product as many as three to five times (sales waves), with the company noting how many customers selected that product again so it can be measured the level of customer satisfaction. This method can be implemented quickly without final packaging and advertising.
2. Simulated test market – this method is a marketing research technique where consumers are received the giving information about the benefit of the product. Later, their purchase decisions will be examined. Company needs to study on the reasons why customers choose or not choose to purchase the products.
3. Controlled test marketing – this method allows one to assess an item's sales potential in a real world environment with real consumers making real purchases. In this type, company need to manage a panel of stores that will carry new products for a fee and then the sales results are measured.
4. Test market – this is the final step by offering a new product for sale, usually in a limited area, in order to ascertain and evaluate consumer response.

Table 2.1 The next step after the test market (evaluate consumer response)

	High rate of first time purchase	Low rate of first time purchase
High rate of repurchase	Considering to export the product	High product satisfied by consumers but need more advertising to stimulate the sales
Low rate of repurchase	Product dissatisfied by consumers so either the product needs improvement or leave the market	Considering to leave the market

2.2 Biodegradable Container Products

First, we start from doing the SWOT Analysis of the new product concept both internal and external along with the current market trend.

Table 2.2 The SWOT Analysis

Strengths: <ul style="list-style-type: none"> • 100% raw material based • Contain no toxin or chemical 	Weaknesses: <ul style="list-style-type: none"> • Non-colorful products • Premium price
Opportunities: <ul style="list-style-type: none"> • Green products trend • Product innovation 	Threats: <ul style="list-style-type: none"> • Many competitors with similar products

According from the SWOT Analysis, the new product concept tends to be able to sell in the market because of the rise of green products trend. Although there are many competitors with similar products, but our product concept is totally different from others. However, it is important to test the concept, whether it is understandable by consumers and meet their needs or not.

2.3 Hypotheses Development

According to the above literature, we hypothesized that following factors may have an impact on company's performance by applying the theories of new product development and market testing.



From the factors of customer product aspect, we can develop hypotheses as following:

First of all, the bagasse is the left over from the sugarcane processed into sugar. For each 10 tons of sugarcane crushed, a sugar factory produces nearly 3 tons of wet bagasse. Therefore, the bagasse itself is an agricultural waste, which is represented as 100% recycled material so it can help reducing the general waste stream. The manufacturing process of bagasse products uses less energy and emits less pollution than petroleum based products. It also generates fewer greenhouse gases and contains no toxins. The most important thing about sugarcane is a plant based annually renewable resource. It is much highly sustainable than trees because sugarcane takes 9 months to re-grow, but normal trees take 20 years. This product is compostable and biodegrade in 60-90 days. It is considered as a full product lifecycle; from the sugarcane to bagasse to container to compost/ rich soil and back to use for growing sugarcane.

As the following photo from the Greenway holdings proprietary limited company, it shows the whole process of bagasse lifecycle from sugar cane fields to become compost and later turned into a nutrient rich soil.



Figure 2.1 The source from Greenway holdings proprietary limited company

H1: The bagasse tableware with environmental friendly product has a positive impact on the likelihood of wellness-oriented customers to purchase.

Nowadays, the health and wellness food market has seen particularly significant growth in both developed and emerging markets (Agriculture and Agri-food Canada, 2011). Many consumers are always received the “healthy eating” messages from governments and industries, along with the increase in the number of cancer patients, healthy eating is even more promoted. However, consumers now are not only paying attention to what ingredients are in their food, but they are also taking the consideration on how their food produced or what kind of packaging they are using (Agriculture and Agri-food Canada, 2011). Due to the bagasse is a natural raw material, so it is environmental friendly foodservice product. It is sterilized and complies with food safety standards.

H2: The bagasse tableware with health conscious product has a positive impact on the likelihood of wellness-oriented customers to purchase.

Convenient is one of the top choices for using any products (Wiki.answers). For food containers, not every raw material can be used with oven or microwave, which these are the main tools to use heating the food. Bagasse raw material is proved to use with both oven and microwave. Therefore, they are much more convenient to use than other raw materials. Moreover, consumers do not need to separate food-wasted stream because this compostable product can be disposed together with the food scraps to compost.

H3: The bagasse tableware with convenient to use product has a positive impact on the likelihood of wellness-oriented customers to purchase.

The products are in very high quality of being strong and durable. They are tested for no leaking of any liquids and oil. These products can also use with both hot and cold foods and liquid without any problems. They can also tolerate the heat up to 200 degree Fahrenheit (Monica Parpal).

H4: The bagasse tableware with high durability product has a positive impact on the likelihood of wellness-oriented customers to purchase.

CHAPTER III

METHODOLOGY

3.1 Research Setting

This research is conducted to gather the information from food packaging industry. We choose to focus on this industry because we already have existing customers. In addition, this market is very broad with fast growth rate. Due to the characteristics of Thai consumers, they continue to rely on easily prepared or ready-made packaged food and snacks either from convenient stores or street foods (ACNielsen, 2006). It is because of the traffic in the city is really worse during rush hour so people do not have enough time to cook at home. This brings up the number of using food packaging in Thailand. To meet the market need, it is important to foresight the future market growth, which it will be driven by the health trends and convenience. Since the gradual increase in the number of health-conscious consumers, this will encourage packaging manufacturers to develop their products with more health concern and wellness positioning. Also the consumption continues to be driven by the convenience factor. Not only people have less time and inclination to cook at home so they have to eat outside, they also prefer the better packaging in order to consume easier.

3.2 Samples and Data Collection

This study uses qualitative research approach to collect the data in order to identify the impact of key success factors on the success of new product introduction into the Thai packaging market. The qualitative research approach will help us exploring the recent issues in this market, understanding more on consumers, and answering questions by analyzing and making sense of unstructured data. To collect the data, our company can categorize customers into two main focus groups for samples. Each sample size contains with 10 customers, contributing to 20 total

respondents. The first group is our existing customers, which are packaging distributors. These are our main customers in the company. They act as the middle people for us to reach the end-users. As we are the manufacturer, so the end-users will choose to purchase from our distributors rather than from our company because we require the minimum order. The reason to choose this focus group is because of the easy to access with them since we have already been in a good contact. Also the distributors normally know the end-users preference more than we do. The second group is the end-users, people who are directly using the products. However, we will focus more on the wellness-oriented people who have the healthy lifestyle and people who concern with environmental. These people are encouraged to adopt their habits and behaviors that promote better health and also improve quality of life. For example, the founder of Bangkok Farmer Market, who encourage people to come and visit the farmer market to purchase only green products with organic foods.

In this step we will use the in-depth interview with two main focus groups: the packaging distributors and the end-users. Open-end questions are used because we want to encourage a full, meaningful answer using the subject's own knowledge or feelings of the respondents. At this step, we let every respondent to see and touch the real products. Nevertheless, we also provide some product samples for them to test before we call back to receive the feedbacks.

CHAPTER IV

RESULTS

After the interview, all the potential customers need to be analyzed whether the new product concept matches with customers needs or not. If the concept has potential to sell in the market, so the commercialize is quite important for new product. This step is to promote the benefit of product itself along with increasing company reputation. Later on, our company will use all four methods of market testing to introduce new product to the focus group. However, the rational for using these four methods to implement in the research is to ascertain and evaluate consumer response. As the beginning of introduction of new product, there are 10 products such as plate, bowl, glasses, etc.

4.1 Result from packaging distributors

From the interview, most packaging distributors do not give much response to the product concept. As they think that they are middle people who only want to sell the products, not the users. Most they concern with the price and service they will receive from suppliers. The product label, carton packaging, and delivery are also the main factors, which they use to evaluate suppliers from buying their products. However, some retailers corporate well from answering the interview questions, but they are tend to be a younger generation who has high education and open-minded to accept the new thing. For some retailers, whose the owners are older generation, they hardly to listen or accept the new thing.

Factor 1: Environmental Friendly

This factor we predict that most people will concern a lot about our environment due to many researches state that our world now is having high global

warming. So we think that even though retailers are not the users, but they would be aware and concerned about the damage to the environment and want to do something about it. However, all of the ten respondents have given almost the same answer for question number one, “Do you think the material used to produce food packaging and container, need to be concerned with environmental?” They said that they do not concern much about this because nothing is really affected to them. What they most concern is the price; as long as the price is not too high to purchase, they are willing to try putting our products on their shelves. According to the hypothesis of factor 1, the bagasse tableware with environmental friendly product has a positive impact on the likelihood of wellness-oriented customers to purchase; the data from interview is not support the hypothesis.

Factor 2: Health Conscious

As what we predict, this factor would be the most concern. Many people face with the problems with their health; mostly is cancer. One of the big reasons that cause cancer is to consume and receive chemical into the body continuously. Although people do not consume packaging or container, but both of them are food contacted so it is important to use these products based from naturally origin. For the first question about this factor, “Do you think the material used to produce food packaging and container, need to be concerned with health conscious?” Most of respondents found this factor is very important to be concerned with because some of their family or relative have faced with cancer. So they have gained knowledge about using Styrofoam is number one bad affect to health. They also want to have this kind of product to sell at their stores. However, they mostly ask for the price of this new product compare with Styrofoam and plastic. So we accept that the bagasse packaging is 1.5 times expensive than Styrofoam, but it is almost the same as plastic material. Although the price seems totally different from Styrofoam, where most people have been using, but for the health benefit, the Styrofoam cannot even be compared. Some of respondents also mention that the possibility to sell this product in the market, it is not their responsibility, but it should be from our company. They suggest our company to promote the key benefit of using the bagasse packaging throughout every channels, which can reach to the audiences so they can know more about products and visit their

retail stores to purchase. Moreover, the reason why packaging retailers always want to sell high volume of Styrofoam is because of the Styrofoam company has used marketing strategy to increase its sales. The company required any retailers to purchase, as the number is set, so they will receive free airplane ticket and hotel to travel to Europe or any famous countries around the world. As a result, many retailers always try to boost up their sales and cheer up customers to buy Styrofoam. This is important information, which our company needs to be concerned. Based on the hypothesis of factor 2, the bagasse tableware with health conscious product has a positive impact on the likelihood of wellness-oriented customers to purchase; the data is support the hypothesis.

Factor 3: Convenient to use

As what we predict, we think that most packaging distributors do not care much about the way of using the product because they are only selling. However, the products with convenient to use would help the sellers easily to promote and get a sale. From the interview of many different stores, the result receives as what we predict. They said the customers will be able to know the benefit of using the product unless if they have used it before. The only way is our company should promote our product throughout many channels, which can directly reach to consumers. They also said that their responsibilities are only to sell every product in the stores. They would not have time to promote or advertise anything for us. Nevertheless, some distributors suggest us to do the advertising poster about the benefit of using our product so they can put it at the stores where customers can see. For the conclusion, the data collected from the interview is not support hypothesis 3; the bagasse tableware with convenient to use product has a positive impact on the likelihood of wellness-oriented customers to purchase.

Factor 4: Product durability

As our prediction, most distributors will not find the product durability important to purchase our product. For this factor, the distributors will consider it as other factors above due to their non-users of the product. From the interview, we receive the result similar as our prediction. They think this factor does not have any

impact on probability to purchase a green product. As their middle people, they will look for the colorful products rather than only one color based products because the colorful one will be more attractive to customers. They think our product looks boring because we only have one color, which is the original color from sugar plant. The color will be light brown. As a result, the data collected is not support with the hypothesis 4; the bagasse tableware with high durability product has a positive impact on the likelihood of wellness-oriented customers to purchase.

Conclusion Questions

As the conclusion question, among these four factors, which one is the most important criterion for you to purchase food packaging and container, we find out that all distributors mention about price is the most important criteria, which is not in the choice of these four factors. As they said Thai people still get to use with the Styrofoam because it is a lot cheaper than other packaging materials. Since the distributors are the middle people, they would prefer to purchase Styrofoam because it is easy to sell out. Based on this factor, this would be our product limitation to be success in Thai packaging market.

4.2 Result from end-users

From choosing the respondents, we think that it would be easier to have respondents who have already understood with the product concept and are open-minded and willing to accept the new thing. Our respondents mostly are the health organizations or the organic foundations that looks for the natural products to adapt to use with their products.

Factor 1: Environmental Friendly

Since there is a widespread optimism that it is not too late to do something about climate change and that it is possible to overcome the world's environmental problems if everyone accepts the responsibility by making lifestyle changes. We found that most people claim that being "green" is now the socially acceptable thing rather

being an alternative lifestyle. So we believe that if one person in a group of friends or family tried to influence others to be more environmentally friendly, this will help change all the people who live close to them. Our company tends to do the marketing with people who are in the field of environmental organizations. For example, we choose one respondent, Mr. Han, who he is the founder of Bangkok farmer market. It is an event for producers and vendors to come and sell their products directly to customers. However, the products have to be only organic or homemade style. According to Mr. Han, he said, “my mission is to connect non-gmo/ organic/pesticide free producers with consumers directly and foster a vibrant community focused around healthy living. I support the communities in Bangkok by giving back through education, charitable works, and community programs to bring people together. My primary goal is to help build strong foundations for communities and focus on life. Working towards sustainability for future generations and our home planet earth.” For the interview question, he suddenly replied that he think it is very important to use the material that need to be concerned with environmental in order to produce food packaging and container. He also welcomes to educate all of his vendors about using this bagasse container for their food selling at the Bangkok farmer market. For the second question on which environmental he considers as most important. He said that nothing is the most, but everything is the most important. As a result, the hypothesis of factor 1, the bagasse tableware with environmental friendly product has a positive impact on the likelihood of wellness-oriented customers to purchase; the data from interview supports the hypothesis.

Factor 2: Health Conscious

As from what we predict, we believe that the end-user who will directly use the products, will be concern a lot about this factor. Although they would be the restaurants or bakery stores, who do not use the products themselves, but if they use this kind of green product, they can proudly present to their customers about the health benefit. So for those who lead a wellness-oriented lifestyle are concerned with nutrition, fitness, stress, and their environment, they would accept responsibility for their health and these excellent customers mostly prefer health-related products and services. For those who lack a wellness orientation are identified as higher health risks

and become candidates for health promotion program intervention. Therefore, our company tends to use the wellness scale to segment and target potential customers and position our products. For this factor, we choose to do the interview with school and university principals who have power to change lifestyle of their students. As a result, most principals have noticed about the problem of using plastic and Styrofoam in their schools and universities for a long time. They think that they are in academic organizations where are most important places to teach and give knowledge to their students. Since they are principals, all of them have earned the high education so they deeply understand all the bad effect to health of using Styrofoam. Therefore, we suggest them to do the health promoting within schools, where students would be concerned more on their wellness. This should be influencing health-related behaviors such as knowledge, beliefs, skills, attitudes, values, and support. School can create the conditions that are conducive to health throughout the policies, services, and social conditions by all the restaurants within and around the school area should use the packaging made from the green natural products only. At this point, the data collected from the interview is support the hypothesis 2; the bagasse tableware with health conscious product has a positive impact on the likelihood of wellness-oriented customers to purchase.

Factor 3: Convenient to use

As our prediction, we believe everyone wants any products to be easy and convenient to use. Nowadays most people especially those who live in the city, are likely to rely on frozen and ready to eat food. Thailand is the country where you can easily find street foods to eat. There is almost everywhere. However, most of these foods are contained with plastic and Styrofoam containers. As a research both of these packaging cannot use or heat with the oven and microwave so when people buy foods, they have to put out the food into the plate or bowl before heating. In the other hand, the bagasse packaging is able to cook and heat with the oven and microwave, which will make the heating process easier and faster while not wasting water to wash the dishes. From the interview of many people who are buying food on the street and fresh market, they find out that our product is quite interesting. They think the convenient to use of our product in term of the ability to put in microwave together with the food, is

the packaging they are looking for. However, I have mentioned about the price of our product that is 1.5 times higher than Styrofoam, which could affect the price of the food. Most of them think that it would not be any problems if the sellers do not overcharge and let the customers know the benefit. In conclusion, the data collected from the interview is support the hypothesis 3; the bagasse tableware with convenient to use product has a positive impact on the likelihood of wellness-oriented customers to purchase.

Factor 4: Product durability

As our prediction, we believe that most end-users would want the product with high durability. This factor would have a positive impact on the likelihood of wellness-oriented customers to purchase. From the interview, most of respondents describe the product durability of food packaging as being strong enough to protect the food. For the bowl or cup, the containers should be able to protect the liquid not to be leaked. During the interview, we have presented our product benefit of durability of being proved for no leaking of any liquids and oil; also it can tolerate the heat up to 200 degree Fahrenheit. Therefore, our product finds out to be very interesting to most people. As a result, the data collected from interview is support the hypothesis 4; the bagasse tableware with high durability product has a positive impact on the likelihood of wellness-oriented customers to purchase.

Conclusion Questions

From the conclusion question, people tend to give the health conscious factor as the most important criteria. Due to the increasing of number who has cancer, that makes people more concern about their health. Most of them are willing to change their food packaging from Styrofoam to our product, bagasse container.

CHAPTER V

DISCUSSION & CONCLUSION

Is it worth to use product that harms your life and environment, only if it is cheap? This question might be able to answer as “NO” for most people, but when it comes to the real situation, people choose to buy product with cheaper price rather than buying product with benefit to their lives and environment. Our product, which our company introduces in this research, is the natural packaging product. This product is created for reducing the impact of today’s consumer society. By choosing natural material, we can reduce pollution, the use of finite resources, and the amount of waste, which must be disposed of in a landfill. As this product is made from annually renewable and recycled materials, it can be described as biodegradable or compostable.

For the summary of our finding from this research, we basically explore more about the Thai packaging market. There are many variety of packaging products both from importing and domestic producing. Sugarcane is not the only natural plant, which it has reproduced to be tableware; there are also several plants such as cassava, pineapple, etc. However, these products are quite new to the market, so that they cost a bit more than conventional disposable products. Thus, the increase in cost is only a minor setback when we consider how your green enterprises can further our image and even our profits by attracting environmentally minded customers.

According to four hypotheses mentioned above in chapter 4, there are three factors, which are not support with the collected data from distributors. These three factors are environmental friendly, convenient to use, and product durability. Most of the distributors think that these three factors do not have a positive impact on the likelihood of wellness-oriented customers to purchase our products. Being non-users of the product is one of the main reasons, which is inconsistent with the factor. As they are middle people to sell the products, so they think these factors do not need to be concerned with their purchase decisions. Their incentives to purchase the product

are the acceptable price in the market and service. In the other hand, if our company can promote the product that makes customers aware of the benefits; they will definitely come to the packaging stores and look for it.

5.1 Contribution

Consumer choices do not only reflect price and quality preferences but also the social and moral values as witnessed in the remarkable growth of the global market for organic and environmentally friendly products. To do this research, it is not only to help building a reputation for our company, but also create the right product with our world today, which has issues about the environment and quality of life. Today, our world is breaking down every other day, all the manufacturers expect to have high volume of sales, but none has thought of the effect that would cause to the world. This is very particularly important in the case of food and beverage products.

5.2 Managerial implication & suggestion

As what we have conducted the research, our product has quite high possibility to sell in Thai market. Even though this product is still new in the market, but its advantage is to meet the needs of customers. So more advertisements need to educate the consumers.

Price is the limitation for this research. Most people still focus on the price over the quality or the benefit of the products. Many packaging manufacturers always try to reduce cost by downgrading the raw material they use to produce. This also causes the drop down for the product quality; and some of it can cause the bad effect to health and environment. Due to our product, it is made from all natural plants. The whole process is quite complicated so the cost of producing is normally higher than other types of raw material.

5.3 Limitation

The limitations for this research are not enough time to gather the information and small sample size to receive the feedback. In the case, we can also receive some feedbacks from our existing customers and some end-users who we have never contacted with. However, the problem is mostly from the limited time we have. In order to complete the whole process of bagasse products market testing, it should be around 6 months. This much time can help to search for more target groups of customers.

5.4 Future research

For the future research, how green product can success in the market should be conducted. The successful marketing has always been about recognizing trends and positioning the products, services and brand in a manner that supports buying variables. Nowadays “green marketing” has gone from a trend to someway of doing business so the value of going green and the incorporating this message into marketing program should be implemented.

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APPENDICES

APPENDIX A: Interview Guides

The interview questions are related with the key benefit factors, which lead the new concept to success in the future. The question guidelines are as following:

Factor 1: Environmental Friendly

- Do you think the material used to produce food packaging and container, need to be concerned with environmental? Why?
- If yes, which environmental do you consider as most important; for example, natural resources, recyclable & waste management, pollution, etc.?
- How do you feel about using plastic/foam as food packaging and containers?
- Does environmental friendly product has a positive influence on your decision to buy food packaging and container?

Factor 2: Health Conscious

- Do you think the material used to produce food packaging and container, need to be concerned with health conscious?
- If yes, why do you think it should be concerned? If no, why not
- Have you ever heard or receive knowledge about some raw materials, which used to produce food packaging contained chemical so it causes bad effect to people health?
- If yes, where did you hear or receive knowledge from? Do you believe it?
- Does Health Conscious product has a positive influence on your decision to buy food packaging and container?

Factor 3: Convenient to use

- Whether the convenient to use packaging have an impact on probability to purchase a green product or not?
- How can you describe the convenience of using the food packaging?
- Does Convenient to use of product have a positive influence on your decision to buy food packaging and container?

Factor 4: Product durability

- Whether the product durability have an impact on probability to purchase a green product or not?
- How can you describe the product durability of the food packaging?
- Does Product durability have a positive influence on your decision to buy food packaging and container?

Conclusion Questions

- Among these four factors, which one is the most important criteria for you to purchase food packaging and container?

